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SUBJECT: PORTUGUESE PRESIDENT'S COMMENTS TO AMBASSADOR ON
KOSOVO, AFGHANISTAN, EUROPEAN ENERGY, VENEZUELA

LISBON 00001155 001.2 OF 003

Classified By: DCM David Ballard for reasons: 1.4 (b) and (d)

¶1. (S/NF) Ambassador met with President Cavaco Silva on May 13 for a full hour (half an hour longer than scheduled). The warm, candid discussion mainly covered Kosovo, Afghanistan, and European energy security. Cavaco Silva also raised Guantanamo rendition flights and Venezuela. On Kosovo, Cavaco Silva made no promises but strongly hinted that Portuguese recognition would come soon. On Afghanistan, he sought to underscore Portugal's long-time and ongoing commitment and said that all possibilities were on the table for future Portuguese participation. On energy security, he discussed Portugal and Europe's evolution and said he was optimistic. Cavaco Silva raised Guantanamo detainee flights and Venezuela, using the ongoing NGO accusations regarding rendition flights through Portugal as a reminder that Portugal is a strong ally that stands by the United States, and commenting on Chavez that, "I've met him. He's a crazy man." Although Cavaco Silva knew that the subjects to be discussed were those that have caused the most recent tension in the bilateral relationship, he remained smiling and warm throughout the meeting, betraying slight nervousness on only two occasions. His command of the facts on these issues is clear, and his dedication to a strong U.S.-Portugal relationship evident. He had no agenda items of his own. END SUMMARY

KOSOVO: FOUR WAYS OF HINTING "SOON," BUT NO DETAILS

¶2. (SBU) Ambassador opened his first meeting with President Cavaco Silva since his February credentials ceremony by noting that he wanted the President's comments on issues in which his role as Head of State and Commander in Chief of the armed forces made his opinion and influence particularly important.

¶3. (C/NF) First, Kosovo. Ambassador noted that the United States has been a bit perplexed that Portugal has not followed what is clear EU consensus and recognized Kosovo. As Head of State, could the President shed some light on that process? Cavaco Silva started by saying that it was true that Portugal had "some doubts" about recognition, and said that all the international law experts Portugal consulted believed that a Kosovar unilateral declaration of independence was contrary to international law and advised the government not to recognize Kosovo. That being said, Portugal is a strong believer in solidarity and has remained committed to KFOR and the EU on the ground, with 300 troops in KFOR, troops that are often on the front lines in Mitrovica, where other nations had chosen not to operate. He mentioned, briefly, that it was "easier" for the Portuguese to operate because Portugal had not yet recognized, but did

not pursue that thought. "We decided we would wait for the results of the (Serbian) elections, and we are very pleased with the results. We believe that they create the conditions needed for a dialogue, so we are in a position to take a decision soon." A series of events had made that decision easier: EU offer of a stabilization and association agreement to Serbia; evidence that the youth of Serbia want to be partners with Europe, not Russia; the fact that the Kosovars have shown that they are living up to their commitments to respect minorities under the Ahtissari plan; and, perhaps most importantly, the need for EU consensus. "We are members of the EU and aware of the importance of solidarity. We are not going to take a decision with great enthusiasm, but the elections may have created conditions for an open dialogue and for avoiding fragmentation. The matter will be solved soon. I know the (Serbian) president and he is committed to democracy and links to the West."

¶4. (C/NF) In any case, "the problem is not Portugal. No BRICS country has recognized, no Portuguese-speaking country has recognized, only 36 or 37 of the 196 countries in the UN have recognized."

¶5. (C/NF) Ambassador interjected to note that Portugal had succeeded in making Kosovo an EU issue and had helped create the framework for recognition by member states. Portugal's recognition would thus send a strong message about EU solidarity and move Russia and Serbia toward a clear understanding that Kosovo's independence was inevitable. Cavaco Silva nodded and said, "It is likely that Portugal and two other countries--the Czech Republic and who else? (he turned to an aide who did not answer the question)--will recognize soon, maybe on the same day." Because the Serbian elections went well and the Kosovars are behaving well, this is also good for swaying public opinion to accept recognition.

LISBON 00001155 002.2 OF 003

AFGHANISTAN: UNFAIR TO SAY PORTUGAL HAS NOT DONE ITS BEST

¶6. (C/NF) Ambassador began by praising Portugal's long-term effective military involvement with NATO in Afghanistan, relayed SACEUR General Craddock's appreciation for the Portuguese forces' work there, and expressed gratitude for Portugal's deployment of two OMLTs and a C-130 team. The Ambassador then said, "Mr. President, I ask you, as Commander in Chief, to reconsider the decision to withdraw your company of commandos, or to consider redeploying them to Afghanistan as soon as possible after they return. Because you have been such a strong supporter of ISAF, your recall of the Quick Reaction Force (QRF) sends the wrong psychological and military message at a time in which NATO's credibility is at stake."

¶7. (C/NF) With the exception of a candid explanation of the inter-political party consensus building required to maintain Portugal's commitment to ISAF, Cavaco Silva's response was the familiar litany we have heard from many other GOP interlocutors. Portugal is and has been committed to NATO and ISAF, Portugal's troops serve without caveats (the President noted that they are now serving on the Pakistan border at great risk), Portugal's commitments in Kosovo, Bosnia, Timor Leste, Chad, and Lebanon have stretched our forces thin, and finally that Portugal provided one OMLT then two in order to help the Afghans realize that they have to provide their own security. In his only sign of defensiveness on any issue, Cavaco Silva ended his justification with, "It is unfair to say that Portugal has not done its best."

¶8. (C/NF) Cavaco Silva then stated in four or five different ways that it is possible that the QRF will be redeployed to Afghanistan. Although the government and military had decided to withdraw the QRF, it was only to "examine the situation" and "have room to consider future requirements." "This does not mean we won't reconsider it in

the future. This does not mean it's a decision forever, Mr. Ambassador." Kosovo, for example, may need police, not army, deployed. "That may create possibilities (NB: presumably by freeing them for service in Afghanistan, although he did not say that)." Cavaco Silva noted that the armed forces were going through comprehensive reform precisely to make them more suitable to serve as "an instrument of foreign policy and cooperation." In any case, "We may re-examine this in the future."

¶9. (C/NF) Cavaco Silva then provided a glimpse of internal Portuguese decision-making that was new to us. "You know that in Portugal we try to find consensus between the two major political parties. (NB: Cavaco Silva is from the PSD, currently the opposition party to the PS majority in the assembly.) Iraq created a split and made us realize that we had to prevent--in the case of casualties--that a party take political advantage. For Afghanistan, we are able to have the support of the opposition. This has been a matter of private discussion and this is what we decided."

GUANTANAMO DETAINEE FLIGHTS: REMBER, WE'RE ON YOUR SIDE

¶10. (S/NF) In what was a non sequitur, the President raised the issue of Guantanamo detainee flights. "As you know, this issue of flights to the Azores has created problems for our government. The government has been clear and has told the truth, but that does not prevent EU parliamentarians and London NGOs from coming here and talking to the press and creating problems." Ambassador noted only that he agreed with Portugal's public statements that to his knowledge no laws had been broken. Cavaco Silva continued, saying, "this issue has created difficulties." In almost an aside, he said, "You know, we may have complaints, but we have a very mild press. Just like our extreme left never causes problems("

EUROPEAN ENERGY SECURITY: LIGHT AT THE END OF THE PIPELINE

¶11. (C/NF) Ambassador asked if he might raise another issue he knew was important to the President: European energy policy. He said that he had watched with some alarm as European nations and companies took a short-term approach to energy security and diversification and rushed to sign deals with Gazprom, even though we know that Russia is not above using energy as a political weapon. Where is the long-term European strategy that sees the big picture and prevents Gazprom from controlling European energy supplies?

LISBON 00001155 003.2 OF 003

¶12. (C/NF) Cavaco Silva replied that he agreed that energy security was a key point on the European agenda, but he also believed that the EC--particularly under Barroso--was taking steps to ensure that Europe would have a sensible energy policy. First of all, the encouragement of renewables was critical in the long-term. Second, since Gazprom is essentially a sovereign fund, the implementation of a code of conduct for sovereign funds and the insistence on transparency would help mitigate the problem. Third, the EU's engagement with Russia--"although we don't know how this will be with the new president; maybe the same"--was key to thinking long-term. "I'm not as pessimistic as you. Our attention to this issue is recent, but we are making progress."

SPEAKING OF ENERGY, DID YOU NOTICE THAT OUR PRIME MINISTER IS IN VENEZUELA TODAY?

¶13. (S/NF) While talking about European energy security, Cavaco Silva noted that Prime Minister Jose Socrates is in Venezuela today, largely to sign an energy agreement. Fully aware of our concerns about Venezuela, he proactively offered, "You have to understand our position. We have five hundred thousand Portuguese there. We know--and I've met him--that he's a crazy man, but("

¶14. (S/NF) Cavaco Silva then praised Brazilian President Lula's engagement with Chavez, saying, "You know, Lula tells me he has to spend six or eight days a year trying to talk Chavez into being sensible. Explaining basic things to him, encouraging him to be reasonable. And Chavez says he understands and will be reasonable yet goes out of control again. I am very fond of Lula. He is wise and realistic and is doing an excellent job."

BIO NOTES:

¶15. (S/NF) As always, Cavaco Silva looked tanned, fit, and impeccably dressed. He was warm and friendly throughout the meeting. He seemed genuinely happy to see the Ambassador. A smile rarely left his lips. Despite the fact that he knew in advance that the issues the Ambassador wanted to discuss were sources of some tension with his country--and more specifically with what is generally understood to be his role in making the decisions that caused the tension--he remained calm throughout and proactively brought up two other issues that have caused tension. He betrayed slight nervousness--expressed by a short, high-pitched giggle--on two occasions: in discussing Guantanamo flights and in raising Venezuela.

COMMENT:

¶16. (C/NF) While we are not surprised by what Cavaco Silva had to say on Kosovo or Afghanistan, his responses were surely as positive as we could have hoped for. The Ambassador made our positions very clear. Although the Ambassador had raised this with the Ministers of Foreign Affairs and Defense and military leaders, this was the first time we had explicitly asked the President to keep Portugal's QRF in Afghanistan). It was also a bit surprising that Cavaco Silva had no agenda items of his own, other than the short interlude about Guantanamo flights. Perhaps most telling was that although the President's diplomatic assistant emphasized before the meeting that it would last "no longer" than half an hour, the Ambassador and President talked for exactly an hour. We will, of course, continue to push on Kosovo and Afghanistan.

Stephenson